

BEFORE THE IOWA BOARD OF PHARMACY

RE: Limited Distributor License and Controlled Substances Act Registration of GUARANTEED RETURNS License No. 40417 Registration No. 2210445 Respondent	CASE NO. 2014-177 COMBINED STATEMENT OF CHARGES, SETTLEMENT AGREEMENT, AND FINAL ORDER
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COME NOW the Iowa Board of Pharmacy ("Board") and Devos Ltd., doing business as Guaranteed Returns ("Respondent"), 100 Colin Dr, Holbrook NY 11741, and enter into this Combined Statement of Charges, Settlement Agreement, and Final Order ("Order") pursuant to Iowa Code sections 17A.10 and 272C.3(4), and 657 IAC 35.5. The Board has jurisdiction over Respondent and the subject matter of this case pursuant to Iowa Code chapters 17A, 124, 155A, and 272C (2019), and 657 IAC 36.

A. STATEMENT OF CHARGES

**COUNT I
CONVICTION OF A CRIME**

1. Respondent is charged with conviction of a crime related to the distribution of prescription drugs and controlled substances, and may be disciplined pursuant to Iowa Code sections 124.304(1)(c) and 155A.42(3), and 657 IAC 10.44(2), 36.6(5) and 42.15(2).

B. FACTUAL CIRCUMSTANCES

2. Respondent's limited distributor license number 40417 is currently active through December 31, 2019. Respondent's Controlled Substances Act registration number 2210445 is currently active through September 30, 2020.

3. In July of 2019, Respondent was sentenced after being found guilty of the following offenses in the United States District Court for the Eastern District of Pennsylvania in March of 2017: wire fraud; mail fraud; theft of government property, aiding & abetting; conspiracy to launder money; conspiracy to obstruct justice; obstruction of justice, aiding & abetting; and false statements.

4. Respondent's owner, Dean Volkes, was also convicted and sentenced for the same criminal charges.

C. SETTLEMENT AGREEMENT AND FINAL ORDER

5. The Board has jurisdiction over the parties and the subject matter of these proceedings.

6. Respondent acknowledges that the allegations in the Statement of Charges, if proven in a contested case hearing, would constitute grounds for the discipline agreed to in this Order.

7. Execution of this Order constitutes the resolution of a contested case. Respondent has a right to hearing before the Board on the charges, but Respondent waives the right to hearing and all attendant rights, including the right to appeal or seek judicial review of the Board's action, by freely and voluntarily entering into this Order. Once entered, this Order shall have the force and effect of a disciplinary order entered following a contested case hearing.

8. Respondent acknowledges that it has the right to be represented by counsel on this matter.

9. Respondent agrees that the State's counsel may present this Order to the Board and may have *ex parte* communications with the Board while presenting it.

10. This Order is subject to approval by a majority of the full Board. If the Board does not approve this Order, it shall be of no force or effect to either party, and shall not be admissible for any purpose in further proceedings in this matter. If the Board approves this Order, it shall be the full and final resolution of this matter.

11. This Order shall be part of Respondent's permanent record and shall be considered by the Board in determining the nature and severity of any disciplinary action to be imposed in the event of any future violations.

12. Respondent understands the Board is required by federal law to report any adverse action to the National Association of Boards of Pharmacy's Disciplinary Clearinghouse and the National Practitioner Data Bank.

13. This Order, when fully executed, is a public record and is available for inspection and copying in accordance with the requirements of Iowa Code chapters 22 and 272C.

14. The Board's approval of this Order shall constitute a **FINAL ORDER** of the Board.

IT IS THEREFORE ORDERED:

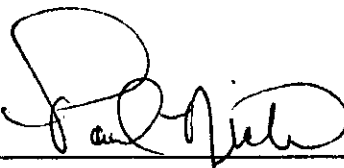
15. Respondent's license and CSA registration shall be **SUSPENDED** for a period of two (2) years, but the suspension shall be **STAYED**, and Respondent's license and CSA registration placed on **PROBATION** provided Respondent is compliant with the following terms:

- a. Respondent shall pay a **CIVIL PENALTY** in the amount of twenty-five thousand dollars (\$25,000). The first installment of twelve thousand five hundred dollars (\$12,500) is due within sixty (60) days of this Order. The second installment of twelve thousand five hundred dollars (\$12,500) is due within ninety (90) days of this Order. The checks shall be made payable to the "Treasurer of Iowa" and shall be deposited in the general fund. The checks shall be mailed to the Iowa Board of Pharmacy, Attn: Amanda Woltz, 400 SW 8th St, Ste E, Des Moines IA 50309.

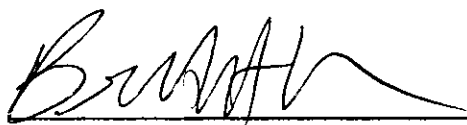
- b. Within sixty (60) days of this Order, Respondent shall provide copies of all current contracts between Respondent and manufacturers. While on probation, Respondent shall submit any new contracts with manufacturers within thirty (30) days of execution of the contract.
- c. On a quarterly basis, Respondent shall submit a report listing all transactions conducted with businesses located in Iowa. The Quarter 1 (January-March) report is due no later than May 1st; the Quarter 2 (April-June) report is due no later than August 1st; the Quarter 3 (July-September) report is due no later than November 1st; and the Quarter 4 (October-December) report is due no later than February 1st.
- d. The documentation required pursuant to paragraphs 15b and 15c may be mailed to the Iowa Board of Pharmacy, Attn: Amanda Woltz, 400 SW 8th St, Ste E, Des Moines IA 50309 or emailed to Amanda.Woltz@iowa.gov.
- e. Respondent understands that failure to comply with the probationary terms will result in the stay being lifted and the automatic suspension of Respondent's license and registration until such time as Respondent is in compliance with the probationary terms.

By the signature below, Paul Nick acknowledges ~~he~~ is the President for Respondent and is authorized to sign this Combined Statement of Charges, Settlement Agreement, and Final Order on behalf of Respondent.

9/23/19
Date


GUARANTEED RETURNS
Respondent

This Combined Statement of Charges, Settlement Agreement, and Final Order is approved by the Iowa Board of Pharmacy on the 6th day of November, 2019.


Acting Chairperson
Iowa Board of Pharmacy